

DELTA HUMAN RESOURCE AGENCY

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June 22, 2015 Rhea "Skip" Taylor
Chairman

QUINCY S. BARLOW
Executive Director

Ms. Deborah Loveless, CPA Director
Comptroller of the Treasury
Division of State Audit
Suite 1500, James K. Polk State Office Building
505 Deaderick Street
Nashville, TN 37243

Ms. Loveless:

In response to your letter dated May 6, 2015 to update you on the implementation and recommendations of the audit findings. Our responses will address procedures that are currently in place. Please feel free to contact me directly at 901-476-3232, or by email at quincybarlow@yahoo.com if any additional clarification is needed.

Finding 1 – Transportation Program – Personnel files did not contain evidence that van drivers met criteria

Transportation now has a check list of required documentation that they need to supply to HR before hiring. This information is immediately placed in the new employee personnel file. Medicare/Medicade fraud checks have been completed on the last 3 employees hired. We are in the process of doing a Medicare/Medicade fraud check on all transportation employees. See attachment I.

Finding 9 -- Internal Controls – not in compliance with TCA bonding requirements

Bonds secured – Quincy Barlow – recorded and good until December 19, 2015. Rhea Taylor, Billy Wilson, Jeff Huffman, Maurice Gaines, James Jaquess and Laverne Smith – recorded and good until December 1, 2015 according to the Tipton County Court Clerk at which time bonds will be renewed and submitted to the Tipton County Court Clerk.

Finding 11– LIHEAP – Client data should be reviewed for accuracy

Our agency is working with THDA to comply with their requirements and we are checking our records in an effort to eliminate mistakes regarding the cost of security lights.

Appendix 1 – Investigative Finding 1 – Anticipated Fares Collected Were \$6,427 Less than Related Deposits

Appendix 1–Investigative Finding 2–Internal Control Deficiencies were noted in Collecting, Receipting, and Depositing of Fares

We have secured metal doors for each of our three offices. A secure slot has been made in each door so drivers can drop their money and paperwork into each day. This falls into a locked heavy metal box that is only opened by authorized employees. This paperwork includes a copy of their schedule, receipts showing money collected from each client and/or they show why money is not collected. This is then counted and checked out with their schedule. A summary sheet is then given to Laverne Smith, Executive Secretary, to count and verify that the money amount agrees with the driver's list. Money is counted each day, a receipt written, and given to James Jaquess, Fiscal Officer, for depositing. See attachment II.

Appendix 2 – Title VI and Other Information

We have revised Title VI Plan and it was approved at our December 2014 meeting along with approving our whistle blower policy.


We have rewritten our Policy and Procedures. This is being reviewed by our attorney at this time.

We are all working together to see that we comply with your suggestions and that we will continue to make changes that will help to make our agency more accountable in the future.

Again, thank you for your continued support and for all your help in making our agency more efficient.

RECEIVED

Sincerely,


Quincy S. Barlow
Executive Director

JUN 25 2015

STATE AUDIT



East Tennessee Human Resource Agency, Inc.

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9111 Cross Park Drive, Suite D-100
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June 24, 2015

Ms. Deborah V. Loveless, CPA, Director
Division of State Audit
Suite 1500, James K. Polk State Office Bldg.
505 Deaderick Street
Nashville, TN 37243-1402

Dear Ms. Loveless:

Attached is the report from East Tennessee Human Resource Agency concerning the implementation of recommendations from the audit of human resource agencies for the period January 1, 2011 through July 2, 2014.

Staff will continue to work to find solutions to the recommendations.

If you have further questions, or if there is additional information we need to provide please feel free to contact me.

Sincerely,

Gary W. Holiway
Executive Director

Cc: Jeff Spalding

Finding 3

Failure to Comply with Background Check Requirements

Finding:

During our review of the background check documentation for active staff and volunteers, we discovered five HRAs (East Tennessee, Northwest Tennessee, South Central, Southwest, and Upper Cumberland) failed to either retain adequate support for criminal background checks and/or registry reviews, or to perform criminal background checks and/or registry reviews at all. For 1 of 8 tested East Tennessee employees, the registry review was 35 days late.

Management Comments:

We concur. The Nutrition Program manager was allowed to take forms to an employee to sign to authorize East Tennessee HRA to search all required sites, and the manager was two weeks late returning authorization forms to HR. The employee was transferred from the status as a Title V employee to an East Tennessee employee and was already in the pay system, so she continued to be paid before all reports were completed. She became an East Tennessee employee on April 1, 2013, and her background check was started on April 15, 2013. All other searches were completed on April 15, 2013, the day the form was returned.

To correct this finding, East Tennessee will require all potential employees transferring from the Title V Program to report to the Human Resource Department so all releases are signed and searches are completed before hiring. All potential new hires are required to process in through HR. This procedure has already been put in place.

Current Status:

This has been implemented; furthermore, ETHRA now performs background checks on all Title V individuals as soon as they accept any position at ETHRA. As indicated above, all potential new hires, including Title V, are required to process in through HR.

Finding 4

Revenue receipting and depositing duties for the East Tennessee Human Resource Agency's Community Corrections Program are not adequately segregated, increasing the potential for errors and fraud

Finding:

The East Tennessee Human Resource Agency's (HRA's) Community Corrections Program does not have adequate segregation of duties over the receipt and deposit of offender fees. Offenders pay monthly supervision fees and, if required, restitution payments and community correction payments during face-to-face meetings with their case officers. Case officers receive offender payments, prepare deposit slips, and make bank deposits. Other HRAs have written procedures that require the payments received by officers to be transferred to the agency's accounting office for recording and deposit.

Management Comments:

We concur. The Community Corrections Program does segregate duties as much as possible with the staff provided by the contract. Since most counties in East Tennessee's service area have only one officer covering that county, the officer collects the money orders, gives the offender a receipt for those collections, and deposits the money in the local bank. The officer is required to send that deposit log and deposit ticket to the Accounting department, where staff reconciles the amount on the deposit log with the amount on the deposit ticket. When the bank statement is received, collections are again reconciled to the database computer reports, deposit slips, and deposit logs.

To further assist in correcting this, effective October 2014, Community Corrections has begun using an automated database system to record contracts and related receipts. Using passwords and individual log ons, the software segregates the setup of amounts due from probation clients, the recording of fee collections, and the creation of numerically controlled receipts issued to clients for fees received. All transactions are identified to individuals making the entries. Officers cannot change fee amounts or descriptions. Fee related corrections can only be made by the program manager and are logged and reviewed periodically by internal audit. The accounting staff reconciles the database computer entries to individual bank deposit slips and to bank statements. This database software is being used by East Tennessee's Misdemeanor Probation Program.

Current Status:

This has been implemented. The automated database system being used by Community Corrections segregates the setup of amounts due, recording of fee collections, and creation of numerically controlled receipts issued to clients. Officers cannot change fee amounts or descriptions. Accounting staff reconciles database computer entries to bank deposit slips and bank statements. This database software is also being used by East Tennessee's Misdemeanor Probation Program.

Finding 5

East Tennessee Human Resource Agency did not deposit funds in a timely manner

Finding:

East Tennessee: 52 of 261 supervision payments (20%) were deposited outside of standard by 1-18 days.

Management Comments:

We concur. The East Tennessee HRA Community Corrections policy has always been to make deposits within 3 working days or 72 hours. We will retrain staff and perform internal audits on deposits to make sure policy is being followed. As noted in Finding 4, the database software also provides management, internal audit, and finance personnel the ability to readily monitor the timeliness of deposits.

Current Status:

Corrections staff has been retrained on the three day deposit policy. Deposits not made within the required three day period have decreased and management will continue to

monitor this. A system of collecting deposits from all ETHRA programs is presently under development.

Finding 8

East Tennessee Human Resource Agency should amend the Misdemeanor Probation Program's policies and not allow offenders to make payments in cash.

Finding:

As we observed during our on-site review, East Tennessee Human Resource Agencies (HRA) accepts cash for offender payments. Cash is an inherently risky form of payment. Without strong internal controls and segregation of duties, fraud could occur. A 2009 investigative audit conducted by the Comptroller of the Treasury found that an East Tennessee case officer misappropriated offender cash payments.

Management Comments:

We concur. Effective February 1, 2015, East Tennessee HRA will no longer accept cash as payment for probation fees. Initially, all payments will be made by money order. East Tennessee will also investigate technology to facilitate payment by other methods (e.g., credit cards, debit cards, etc.). A February implementation date will permit East Tennessee to inform and train its officers and clients of the policy change.

Current Status:

ETHRA has implemented the no cash rule. We have discovered a few officers who have not complied entirely with the no cash rule in a few cases. Those officers will be retrained and cautioned. ETHRA management is closely monitoring receipt transactions.

Finding 11

East Tennessee Human Resource Agency needs to ensure accuracy of applicant data and apply eligibility standards consistently.

Finding:

In June 2013, the Department of Human Services issued LIHEAP memorandum 13-05, which requires supervisors at the subrecipient agencies (HRAs) to review a random sample of applications and case files. The memorandum does not, however, give instructions on how to select files or how many files to review.

We found that some HRAs reviewed 100% of applications, some reviewed 5 to 10 files periodically, and some had not reviewed any applications or case files during the current program year. The 2013 Single Audit recommended that the program administrator provide subrecipients with consistent guidance for both calculating applicants' energy burdens accurately and sampling applications and files. THDA's August 2014 review of East Tennessee's LIHEAP found that the supervisory review process lacked proper documentation and written procedures.

THDA issued guidance, effective July 1, 2014, requiring subrecipients to review at least 10% of applications quarterly and to maintain certain documentation supporting the review.

Management Comments:

We concur. To ensure accuracy of applicant data, all caseworkers performing input activities are required to compare the data summary sheet generated by the software with the information provided by the client. This review ensures that the eligibility standards are consistently followed because families will receive the total "points" for which they qualify. This will result in the most needy clients receiving available services. Ongoing in-hour training emphasizes the importance of current data entry for all clients.

To further ensure effective quality control, the agency intends to follow THDA's directive on maintaining supervisory review of files. At least 10% of all applications will be reviewed on a quarterly basis with a focus on data entry. In addition, another 10% will be reviewed semi-annually on a separate set of randomly selected files. A spreadsheet will be maintained to track supervisory review of files. The quarterly review will begin in December 2014.

Current Status:

Corrective action has been implemented by LIHEAP staff. (See Attachments).

Finding 12

The process used to determine meal counts for the Summer Food Service Program is manual and cumbersome and includes excessive paperwork.

Finding:

Both East Tennessee and Southwest Human Resource Agencies (HRAs) have processes to determine meal counts for the Summer Food Service Program (SFSP). However, the recordkeeping process is Both East Tennessee and Southwest Human Resource Agencies (HRAs) have processes to determine meal counts for the Summer Food Service Program (SFSP). However, the record-keeping process is labor-intensive, cumbersome, and includes a volume of paperwork. Although both HRAs cross-check the site supervisor's meal counts with the food vendor invoice, the process needs further internal controls to provide reasonable assurance of accurate meal counts.

Each sponsor's staff manually tabulates meal counts and transfers the summarized counts to documents used to request reimbursement. Errors are often made during this manual process. During our review, we found forms signed by the site supervisor with original numbers marked out and changed. When we asked about the changes, it was difficult to determine whether the changes were made before or after the site supervisor signed the form. Therefore, we could not determine whether the correction is accurate or why the correction was made. To decrease errors, the HRAs should establish additional self-checks, such as a periodic random selection of sites or meal service days for reverification of meal counts (similar to that of the DHS monitors).

The lack of technology for documenting meals received, meal counts, and cross-checking could lead to overbilling (as found by DHS monitors) and is an inefficient use of employee time. The agencies should

investigate the use of technology at feeding sites to reduce the volume of paperwork manually tabulated and to increase the accuracy of the meal counts submitted for reimbursement.

Management Comments:

We concur. The meal count process for the Summer Food Service Program is very tedious and time consuming. East Tennessee HRA is looking into the possibility of putting into place an online reporting system for the food vendors that we contract with each summer. We will also investigate the availability of technology for Summer Food feeding sites. Staff will poll the current feeding sites to determine if they would have access to online reporting if a system were put into place. Reporting forms and procedures being used are recommended by Department of Human Services. East Tennessee staff will review processes and forms to determine if any steps could be saved. East Tennessee's plan is to work toward having online technology accessible to all feeding sites by the beginning of the 2015 Summer Food Service Program.

Current Status:

ETHRA has identified a software program specifically designed for child summer food programs and is currently looking at pricing. The Program Manager is also reviewing program processes with the objective of identifying potential productivity improvements, increasing accuracy, and reducing paperwork. For example, the Summer Food Program Director has developed a report to be prepared weekly which takes the place of reports that were being prepared daily, thereby reducing paperwork. Management has also looked into the use of technology at feeding sites to further reduce paperwork and increase the accuracy of data; however, the remoteness of some sites and the cost of new technology limits this attempt. (See attachments).



FIRST TENNESSEE HUMAN RESOURCE AGENCY

704 Rolling Hills Drive
Johnson City, TN 37604
423-461-8200 Fax 423-461-8228

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May 27, 2015

JUL 14 2015

STATE AUDIT

Ms. Deborah V. Loveless, CPA, CGFM, Director
Comptroller of the Treasury
Division of State Audit
Suite 1500, James K. Polk State Office Building
505 Deaderick Street
Nashville, TN 37243

Re: FTHRA Performance Audit – Actions Concerning Implementation

Ms. Loveless:

We value the audit review process and look upon it as a management tool which will aid us in process improvements. All officials at the First Tennessee Human Resource Agency are deeply committed to maintaining the public trust and one of our primary responsibilities is to act prudently with taxpayer assets. In addition, we look forward to building a solid relationship as we endeavor to improve governmental accounting and transparency.

I wanted to provide you with an update regarding the implementation of the recommendations that were provided. Please feel free to contact me directly at 423-461-8209, or by email at jcody@fthra.org if any additional clarification is needed. Implementation progress is as follows:

Finding 1 – Transportation Program – Personnel files did not contain evidence that van drivers met criteria

Progress: We have modified our Agency's New Hire Checklist to include the Hepatitis B Offer form. This change along with better monitoring through random samples of personnel files will help strengthen our internal controls.

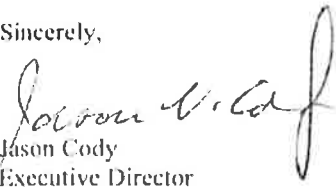
Finding 6 – Misdemeanor Probation – Revenue receipting and depositing duties are not adequately segregated

Progress: We have instituted a cashier position to centralize the receipting process at two of the three locations (Johnson City and Greeneville). In addition, we have taken steps to segregate the revenue reconciliation and the depository function to separate individuals to further strengthen our internal controls. Furthermore, a security camera system has been installed to monitor the cashier area. However, one location (Mountain City) doesn't have the revenue volume at the current time to support the additional staffing costs to allow for better segregation of duties.

Finding 7 – Misdemeanor Probation – Circumvented internal controls over the program information system

Progress: We immediately modified our database access so that Supervisors are the only individuals that can modify payment information.

Sincerely,


Jason Cody
Executive Director

Enclosure: Supporting Documentation – Finding 1; Modified New Hire Checklist

CC: Mr. Jeff Spalding, Executive Director
Fiscal Review Committee



MIDCUMBERLAND

Human Resource Agency

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JUN - 3 2015

STATE AUDIT

June 2, 2015

Ms. Deborah V. Loveless, CPA, CGFM, Director
State of Tennessee
Comptroller of the Treasury, Department of Audit
Division of State Audit
Suite 1500, James K. Polk State Office Building
505 Deaderick Street
Nashville, TN 37243-1402

Dear Deborah:

Please find attached a summary of the performance audit findings and Mid-Cumberland Human Resource Agency's corrective actions. We certainly enjoyed working with your staff, and appreciate the insight and recommendations they have provided.

If you have any questions, please contact me at your convenience.

Sincerely,

Jane Hamrick, Executive Director

cc: Jeff Spalding, Executive Director of the Fiscal Review Committee



MID-CUMBRALD HUMAN RESOURCE AGENCY PERFORMANCE AUDIT CORRECTIVE ACTIONS

FINDING No. 1

Personnel files did not contain evidence that van drivers met criteria required by contracts, grant agreements, and agency job descriptions (Repeat Finding)

Recommendation

Human resource agencies should ensure they have implemented a policy of offering hepatitis B vaccines to all transportation program drivers. In addition, they should document that the vaccine was offered, and file the documentation appropriately. This could mitigate potentially serious medical and financial risks to both the agency and its employees. The agencies should ensure that all van drivers have the required pre-employment background checks and drug screenings. The agencies should ensure that all van drivers have received appropriate training and the training is documented.

Management's Actions

Mid-Cumberland's current policy includes offering the hepatitis B vaccines to all transportation drivers. Mid-Cumberland reemphasized to staff the importance of correctly maintaining appropriate documentation in the personnel. Personnel files will be monitored to assure files are consistent with Agency Policy.

FINDING No. 5

Five human resource agencies—South Central, East Tennessee, Southeast Tennessee, Upper Cumberland, and Mid-Cumberland—did not deposit funds in a timely manner.

Recommendation

The HRAs should comply with the TDOC standards for timely deposit of offender payments. TDOC should review its standard on timeliness of deposits and determine whether the verbal amending of the written standard on a case by case basis is good business practice.

Management's Actions

In September 2014, Mid-Cumberland established local bank accounts to assure all payments received are deposited in a financial institution within 72 hours. Additionally, Administrative staff is monitoring deposits weekly to assure funds are deposited consistent with Agency policy.

FINDING No. 8

East Tennessee, Mid-Cumberland and Southeast Tennessee Human Resource Agencies should amend the Misdemeanor Probation Program's policies and not allow offenders to make payments in cash

Recommendation

We recommend that East Tennessee, Mid-Cumberland, and Southeast Tennessee HRAs no longer accept cash for supervision fee payments and update their policies and procedures accordingly.

Management's Actions

Mid-Cumberland retrained and reinforced to staff that payments must be rendered in the form of money orders and cash shall not to be accepted. Administrative staff monitors receipts and deposits monthly to assure staff is compliant with this Agency policy.



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Chairman
Kenny McBride
Vice-Chairman
Gary Reasons
Secretary/Treasurer
Tom Witherspoon
Executive Director
John A. Bucy

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May 26, 2015

MAY 29 2015

STATE AUDIT

Deborah V. Loveless, CPA, Director
Comptroller of the Treasury
Division of State Audit
James K. Polk Building, Suite 1500
505 Deaderick Street
Nashville, Tennessee 37243-1402

Dear Ms. Loveless:

As requested by the Fiscal Review Committee, the Northwest Tennessee Human Resource Agency is submitting its acknowledgement of the implementation of the recommendations in the audit of the human resource agencies for the period January 1, 2011, through July 2, 2014. The Northwest Tennessee Human Resource Agency (NWTTHRA) had three findings that have been corrected and procedures have been put in place to assure the recommendations are followed. Outlined are the findings, our responses listed in the Performance Audit Report and the implementation of the recommendations.

1. **Finding** - The NWTTHRA employed a van driver whose personnel file did not contain documentation of the offer of the hepatitis B vaccine.

Management's Comment – We concur. The audit revealed that this agency did not have documentation that a driver had been offered the hepatitis B vaccine. We have reviewed all drivers' files to ensure that all files are complete and up to date as to driver training, CPR/first aid, background checks, vaccinations and other documents as required by contract.

Implementation of the Recommendation - Subsequent to the audit, all drivers' files have been reviewed as to completeness of required documentation. The NWTTHRA has implemented a required document checklist that is attached to all newly hired drivers' packets that allow administrative personnel to readily assess the completeness of required documents.

2. **Finding** – The NWTTHRA failed to retain adequate support for criminal background checks and/or registry reviews.

Progress Through Planning

Serving Benton, Carroll, Crockett, Dyer, Gibson, Henry, Lake, Obion, and Weakley County Since 1971

Management's Comment - We concur. During the course of the audit, it was discovered that four nutrition volunteer files did not display the date stamp as to when the background checks were conducted. Beginning June 30, 2014, the nutrition volunteer packet contains background checks that contain a date stamp as to when the background checks were conducted.

Implementation of the Recommendation - All active nutrition volunteer packets have been updated to include a displayed date stamp on the on the background check. In addition, the NWTTHRA has obtained a screen capture program to ensure that the date the background checks were performed would be evident on the verification document. The nutrition program will continue to monitor program volunteer files to ensure that necessary documentation is current and accurate.

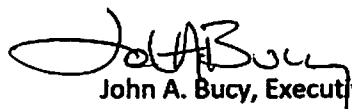
3. **Finding** - The NWTTHRA has not complied with Section 13-26-110, *Tennessee Code Annotated*, which requires bonds for certain board members and employees.

Management's Comment - We concur. The NWTTHRA is unique because it shares administrative personnel with the Northwest Tennessee Development District (NWTDD). The key positions of the NWTTHRA have been bonded in the NWTDD crime policy (Fidelity & Deposit policy number CCP0029122 07). NWTTHRA was in communication with State of Tennessee officials discussing the cost efficiency and redundancy of having the same positions bonded under both agencies during the time of the audit. As of November 13, 2014, NWTTHRA has obtained bonding in accordance with Section 13-26-110, *Tennessee Code Annotated*.

Implementation of the Recommendation – The NWTTHRA has obtained bonding for its key personnel and board members exceeding the minimum bonding requirements as stipulated in Section 13-26-110, *Tennessee Code Annotated* beginning on November 10, 2014. The surety bonds are issued by RLI Insurance Company and are held and bound to the State of Tennessee.

As requested, a copy of this report is being forwarded to Mr. Jeff Spalding, Executive Director of the Fiscal Review Committee. If you have any questions, please contact me by phone at (731) 587-4213.

Sincerely,



John A. Bucy, Executive Director
Northwest Tennessee Human Resource Agency

cc: Jeff Spalding, Executive Director Review Committee

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**SOUTHEAST TENNESSEE
HUMAN RESOURCE AGENCY**

June 1, 2015

Ms. Deborah V. Loveless, Director of State Audit
Comptroller of the Treasury
Division of State Audit
Suite 1500, James K. Polk State Office Building
505 Deaderick Street
Nashville, TN 37243-1402

Dear Ms. Loveless,

Attached please find the requested report on the implementation of the corrective actions taken by SETHRA that were recommended in the performance audit that was conducted last year. Also included are the requested supporting documents.

Should you require additional information, please do not hesitate to contact me.

Sincerely,



Bill Harmon
Executive Director

CC: Jeff Spaulding, Executive Director, Fiscal Review Committee

Sunset Audit Implementation Report

The nine Tennessee Human Resource Agencies, including SETHRA, were audited during the summer of 2014 by the Comptroller in preparation for a Sunset Review. The final audit report, released 12/1/14, identified eleven findings, some of which occurred at multiple HRA'S. SETHRA was involved in five of the findings. Listed below are the findings, SETHRA's management comments that were included in the audit report, followed by an update of SETHRA's actions regarding implementation of the corrective actions.

Finding 2: Northwest Tennessee and Southeast Tennessee Human Resource Agencies should adopt written grievance policies and procedures as required by their transportation contracts with managed care organizations.

Management's Comments

We concur. The SETHRA Transportation program has developed written policies and procedures for clients to make complaints or grievances. Complaints/grievances can be filed in multiple ways; they will be addressed initially by the local SETHRA office and escalated to the central office or the Agency Board as necessary. Complaints/grievances will be handled in a timely manner and will be documented. Contact information will be posted in all transportation vehicles by 11/30/14.

Update 6/1/15: All Corrective action completed. See attached policy, complaint form, and photograph of telephone of notice inviting comments posted on bus.

Finding 5: Five human resource agencies – South Central, East Tennessee, Southeast Tennessee, Upper Cumberland, and Mid-Cumberland-did not deposit funds in a timely manner.

Management's Comments

We concur. The SETHRA Community Corrections program had designated the main Dunlap office as the location where all Community Corrections satellite offices would mail their offender payments, which would then be deposited within three working days of being received in Dunlap. After reviewing the TDOC standard regarding timely depositing, we have made the following changes: Effective 11/17/14, all offender payments will be deposited within three working days of payment collection. We will utilize local bank branches as opposed to mailing the payments to our main Dunlap office. We have opened an additional bank account in one county to ensure that the staff in the satellite offices have ready access to a bank.

Update 6/1/15: All corrective action completed. See attached spreadsheet that shows receipt dates, deposit dates, and the number of days between the receipt being issued and the money order being deposited.

Finding 6: Revenue receipting and depositing duties for the Misdemeanor Probation Programs at the First Tennessee and Southeast Tennessee Human Resource Agencies are not adequately segregated, increasing the potential for errors and fraud.

Management's Comments

We concur. Effective 11/17/14, the case officer who collects the offender payments and issues the receipt will not be the same person who prepares the deposit. We will use a second staff person in the local office to prepare and make the deposit. Copies of the payment receipts and deposits will be forwarded to our main Dunlap office, where a third staff person will perform additional documentation regarding offender payments and depositing. Additional staff in the accounting department will reconcile and verify the deposit records.

Update 6/1/15: All corrective actions completed. See attached spreadsheet that shows the different staff initials that perform the task. The spreadsheet is created by a third staff person.

Finding 8: East Tennessee, Mid-Cumberland and Southeast Tennessee Human Resource Agencies should amend the Misdemeanor Probation Program's policies and not allow offenders to make payments in cash.

Management's Comments

We concur. Effective 8/1/14, the SETHRA Misdemeanor Probation program stopped accepting cash. Offender payments must be made by money order or cashier's check.

Update 6/1/15: All corrective actions completed. See spreadsheet referenced above with money order numbers and attached photograph of "money order only" notice.

Finding 11: Delta, East Tennessee, Southeast Tennessee, and Upper Cumberland Human Resource Agencies need to ensure accuracy of applicant data and apply eligibility standards consistently.

Management's Comments

We concur. Effective 10/1/14, the SETHRA LIHEAP program uses only energy usage and TVA Fuel Charge or availability charge, (when itemized) reported on most recent energy bill when calculating energy burden.

Update 6/1/15: Corrective action completed. See attached LIHEAP application instructions detailing required client information. Item #3 on the application (highlighted) requires most recent utility bill.

COMPLIMENTS, CONCERNS & COMPLAINTS

LOCAL OFFICE: 423-949-2191

BUS #: SEQ-11

CENTRAL OFFICE: 1-800-852-6155





**SOUTHEAST TENNESSEE
HUMAN RESOURCE AGENCY**

Rural Public Transportation Program

Compliments, Concerns & Complaints Policy

Customers will be given the opportunity to register a compliment, concern or a complaint with SETHRA at any time. The agency will follow the following procedures:

1. Compliments, concerns or complaints may be made by telephone, in person, in writing, or via email.
2. The County Manager will investigate all complaints within ten working days and respond to the client.
3. The County Manager will notify the Program Director of concerns and notify the involved employee of a compliment.
4. If the client is not satisfied with the resolution of the complaint process, they may request a meeting with the Program Director. Additional escalations, if necessary, will be made to the Transportation Director, and the Executive Director.
5. All documentation, when appropriate, will be copied to:
 - a. The person filing the complaint.
 - b. All parties involved in the complaint.
 - c. Program files.

Drivers should be aware that all complaints or comments received on driver performance are thoroughly researched. This procedure does not necessarily mean that a driver has been deemed at fault. Management will look for patterns of events and take action as necessary.

**Southeast Tennessee Human Resource Agency
Transportation Program
Passenger & General Public Complaint**

Complainant Details	
Name of Person Lodging Complaint:	
Address:	Daytime Contact #:
Date:	Email:

Complaint Details	
Date of Incident (if relevant):	Time:
Location of Incident:	
Who/What is the Subject of Your Complaint:	
Summary of Complaint/Issue	

Witness Detail	
Name:	
Address:	Daytime Contact #:

Receipt #	Client Name (last name, first name)	Receipt Date	Money Order #	\$ Amount Paid	Co	Officer (Initials)	Issue By (Initials)	Deposit By (Initials)	Deposit Date	# of Days	Track#	SETHRA Fees 43000- 450 \$15	CICF Fees 20150- 450	DNA Retained 43002- 450 \$15	DNA Payable 43001- 450 \$22	Drug Screens 43002- 450	Drug Court Payable 20150- 450	Check Sum (\$ match)
452	Redacted	4/30/2015	132338	\$45.00	G	AL	AL	DC	5/1/2015	1	1142	\$45.00						\$45.00
574	Redacted	4/30/2015	R20507011820	\$15.00	M	JH	JH	DP	5/1/2015	1	1143	\$15.00						\$15.00
575	Redacted	4/30/2015	22777400485	\$15.00	M	JH	JH	DP	5/1/2015	1	1143	\$15.00						\$15.00
576	Redacted	4/30/2015	22777400496	\$15.00	M	JH	JH	DP	5/1/2015	1	1143	\$15.00						\$15.00
577	Redacted	4/30/2015	22777434270	\$30.00	M	JH	JH	DP	5/1/2015	1	1143	\$30.00						\$30.00
578	Redacted	4/30/2015	22777400518	\$15.00	M	JH	JH	DP	5/1/2015	1	1143	\$15.00						\$15.00
579	Redacted	4/30/2015	51120587068	\$15.00	M	JH	JH	DP	5/1/2015	1	1143	\$15.00						\$15.00
1006	Redacted	4/29/2015	R205037221125	\$30.00	F	VK	VK	MJ	5/4/2015	3	1144	\$30.00						\$30.00
1007	Redacted	4/29/2015	51109309877	\$15.00	F	VK	VK	MJ	5/4/2015	3	1144	\$15.00						\$15.00
1008	Redacted	4/29/2015	6002539536	\$15.00	F	VK	VK	MJ	5/4/2015	3	1144	\$15.00						\$15.00
1009	Redacted	4/29/2015	51138297033	\$15.00	F	VK	VK	MJ	5/4/2015	3	1144	\$15.00						\$15.00
1010	Redacted	5/4/2015	17-200851289	\$50.00	F	VK	VK	MJ	5/4/2015	0	1144	\$50.00						\$50.00
1011	Redacted	5/4/2015	17-195994815	\$15.00	F	VK	VK	MJ	5/4/2015	0	1144	\$15.00						\$15.00
638	Redacted	5/1/2015	17-177551104	\$15.00	R	MM	MM	CC	5/4/2015	1	1145	\$15.00						\$15.00
640	Redacted	5/1/2015	17-177551164	\$15.00	R	MM	MM	CC	5/4/2015	1	1145	\$15.00						\$15.00
25	Redacted	5/4/2015	347737624	\$15.00	B	MM	MM	CC	5/4/2015	0	1145	\$15.00						\$15.00
24	Redacted	5/4/2015	22748857143	\$15.00	B	MM	MM	CC	5/4/2015	0	1145	\$15.00						\$15.00
26	Redacted	5/4/2015	347737634	\$15.00	B	MM	MM	CC	5/4/2015	0	1145	\$15.00						\$15.00
27	Redacted	5/4/2015	347737646	\$15.00	B	MM	MM	CC	5/4/2015	0	1145	\$15.00						\$15.00
351	Redacted	5/4/2015	17-174423713	\$25.00	F	HW	HW	KHS	5/5/2015	1	1146	\$15.00					\$10.00	\$25.00
352	Redacted	5/4/2015	R205037223446	\$25.00	F	HW	HW	KHS	5/5/2015	1	1146	\$15.00					\$10.00	\$25.00
1012	Redacted	5/4/2015	17-200851309	\$15.00	F	VK	VK	MJ	5/6/2015	2	1147	\$15.00						\$15.00
1013	Redacted	5/4/2015	17-200851308	\$37.00	F	VK	VK	MJ	5/6/2015	2	1147			\$15.00	\$22.00			\$37.00
1014	Redacted	5/5/2015	R205037223336	\$30.00	F	VK	VK	MJ	5/6/2015	1	1147	\$30.00						\$30.00
1015	Redacted	5/5/2015	6002539679	\$20.00	F	VK	VK	MJ	5/6/2015	1	1147	\$20.00						\$20.00
1016	Redacted	5/6/2015	17-200851340	\$15.00	F	VK	VK	MJ	5/6/2015	0	1147	\$15.00						\$15.00
1017	Redacted	5/6/2015	17-200851208	\$15.00	F	VK	VK	MJ	5/6/2015	0	1147	\$15.00						\$15.00
1018	Redacted	5/6/2015	20858618992	\$75.00	F	VK	VK	MJ	5/6/2015	0	1147	\$75.00						\$75.00
353	Redacted	5/5/2015	22670907491	\$50.00	F	HW	HW	KHS	5/6/2015	1	1148	\$15.00					\$35.00	\$50.00
641	Redacted	5/6/2015	R206107933284	\$15.00	R	MM	MM	CC	5/6/2015	0	1149	\$15.00						\$15.00
642	Redacted	5/6/2015	2101210537	\$15.00	R	MM	MM	CC	5/6/2015	0	1149	\$15.00						\$15.00
643	Redacted	5/6/2015	22748847750	\$15.00	R	MM	MM	CC	5/6/2015	0	1149	\$15.00						\$15.00
644	Redacted	5/6/2015	22748849223	\$15.00	R	MM	MM	CC	5/6/2015	0	1149	\$15.00						\$15.00
645	Redacted	5/6/2015	17192263738	\$15.00	R	MM	MM	CC	5/6/2015	0	1149	\$15.00						\$15.00
288	Redacted	5/4/2015	17-196475986	\$30.00	F	MJ	MJ	VK	5/6/2015	2	1150	\$30.00						\$30.00

Receipt #	Client Name (last name, first name)	Receipt Date	Money Order#	\$ Amount Paid	County	Officer (Initials)	Issue By (Initials)	Deposit By (Initials)	Deposit Date	# of Days	Tracking #
472563	Redacted	4/29/2015	51152780744	\$20.00	G	DC	DC	AL	5/1/2015	2	303949
472564	Redacted	4/29/2015	22436605945	\$45.00	G	DC	DC	AL	5/1/2015	2	303949
472565	Redacted	4/29/2015	51126221541	\$45.00	G	DC	DC	AL	5/1/2015	2	303949
472566	Redacted	5/1/2015	17-196152849	\$45.00	G	DC	DC	AL	5/1/2015	0	303949
472567	Redacted	5/1/2015	51152780856	\$45.00	G	DC	DC	AL	5/1/2015	0	303949
472568	Redacted	5/1/2015	22670929337	\$45.00	G	DC	DC	AL	5/1/2015	0	303949
472709	Redacted	5/1/2015	132548	\$45.00	S	TM	TM	EH	5/4/2015	1	303950
471958	Redacted	5/4/2015	17-117332711	\$45.00	R	CC	CC	MM	5/4/2015	0	303951
471959	Redacted	5/4/2015	22748845882	\$45.00	R	CC	CC	MM	5/4/2015	0	303951
471960	Redacted	5/4/2015	22748845893	\$45.00	R	CC	CC	MM	5/4/2015	0	303951
471961	Redacted	5/4/2015	22748845443	\$45.00	R	CC	CC	MM	5/4/2015	0	303951
471962	Redacted	5/4/2015	17-211229223	\$50.00	R	CC	CC	MM	5/4/2015	0	303951
471963	Redacted	5/4/2015	R206118493317	\$45.00	R	CC	CC	MM	5/4/2015	0	303951
471964	Redacted	5/4/2015	22748843340	\$270.00	R	CC	CC	MM	5/4/2015	0	303951
471965	Redacted	5/4/2015	R206107932943	\$45.00	R	CC	CC	MM	5/4/2015	0	303951
471966	Redacted	5/4/2015	22748846005	\$20.00	R	CC	CC	MM	5/4/2015	0	303951
471967	Redacted	5/4/2015	22748846027	\$30.00	R	CC	CC	MM	5/4/2015	0	303951
471968	Redacted	5/4/2015	51114769018	\$40.00	R	CC	CC	MM	5/4/2015	0	303951
471969	Redacted	5/4/2015	22748846038	\$45.00	R	CC	CC	MM	5/4/2015	0	303951
471970	Redacted	5/4/2015	22748843441	\$160.00	R	CC	CC	MM	5/4/2015	0	303951
471971	Redacted	5/4/2015	22748846073	\$45.00	R	CC	CC	MM	5/4/2015	0	303951
471972	Redacted	5/4/2015	22748853396	\$45.00	R	CC	CC	MM	5/4/2015	0	303951
471973	Redacted	5/4/2015	22748857301	\$45.00	R	CC	CC	MM	5/4/2015	0	303951
471195	Redacted	5/4/2015	22748858548	\$495.00	B	TM	TM	JM	5/5/2015	1	303952
472390	Redacted	5/4/2015	17176492640	\$45.00	M	CM	CM	JH	5/5/2015	1	303953
472391	Redacted	5/4/2015	17176492654	\$80.00	M	CM	CM	JH	5/5/2015	1	303953
472392	Redacted	5/4/2015	17162209447	\$45.00	M	CM	CM	JH	5/5/2015	1	303953
472393	Redacted	5/4/2015	51152781058	\$45.00	M	CM	CM	JH	5/5/2015	1	303953
472394	Redacted	5/4/2015	17176492651	\$30.00	M	CM	CM	JH	5/5/2015	1	303953
472395	Redacted	5/4/2015	22670929260	\$25.00	M	CM	CM	JH	5/5/2015	1	303953

PROBATION

Effective July 1, 2014

All

Probation Fees

And

Community Correction
Fees

Must Be Paid With A
Money Order

PLEASE READ BEFORE SENDING IN APPLICATION!

ONLY ONE (1) APPLICATION PER HOUSEHOLD DURING
OUR FISCAL YEAR, OCTOBER 1ST THROUGH SEPTEMBER 30TH

BELOW YOU WILL FIND A LIST OF WHAT YOU NEED TO INCLUDE WITH YOUR APPLICATION.

YOUR APPLICATION CAN BE DENIED IF WE DO NOT RECEIVE ALL OF THE INFORMATION LISTED!

1. **WE NEED PROOF OF THE CURRENT INCOME FOR EVERYBODY IN THE HOUSEHOLD.** THIS INCLUDES: SOCIAL SECURITY, SSI, RETIREMENT, FAMILIES FIRST, AFDC, WAGES, CHILD SUPPORT OR ANY OTHER INCOME RECEIVED. IF YOU HAVE WAGES, WE NEED EIGHT (8) WEEKS COPIES OF YOUR CHECK STUBS (EXCEPT FOR THE WAGES OF ANYONE UNDER THE AGE OF 18). IF YOU ARE EMPLOYED, WE NEED THE NAME, MAILING ADDRESS, THE TELEPHONE NUMBER AND THE NUMBER OF YEARS OR MONTHS THAT YOU HAVE WORKED FOR THE EMPLOYER. **WE DO NOT ACCEPT ANY KIND OF INCOME TAX FORMS, (EXCEPT FOR SELF-EMPLOYMENT), COPIES OF CHECKS, OR BANK STATEMENTS, FOR PROOF OF YOUR INCOME.** WE MUST HAVE YOUR CURRENT COPIES OF ANY INCOME. FOR YOUR SOCIAL SECURITY, WE WILL ACCEPT YOUR **CURRENT BENEFIT OR AWARD LETTER ONLY**
2. **WE MUST HAVE A COPY OF EVERYBODY'S SOCIAL SECURITY CARD THAT IS IN THE HOUSEHOLD AND A COPY OF A PICTURE ID OF THE APPLICANT.** YOU CAN BE **DENIED** FOR NOT PROVIDING A COPY OF YOUR CARDS. IF YOU DON'T HAVE A CARD, YOU SHOULD CONTACT THE SOCIAL SECURITY OFFICE IN YOUR AREA. IF YOU ARE NOT LEGALLY BORN IN THE UNITED STATES, YOU **MUST** PROVIDE TWO (2) SOURCES OF PROOF OF YOUR CITIZENSHIP.
3. WE NEED A COPY OF YOUR CURRENT UTILITY BILL. IF YOU ARE APPLYING FOR WOOD, COAL, KEROSENE OR FUEL OIL, YOU SHOULD PROVIDE A COPY OF A RECENT RECEIPT. **WE NEED THE NAME, MAILING ADDRESS AND TELEPHONE NUMBER FOR YOUR VENDOR.** IF YOU HEAT WITH ELECTRICITY, NATURAL GAS OR ANY UTILITY THAT REQUIRES AN ACCOUNT NUMBER, WE NEED THE ACCOUNT NUMBER. **WE DO NOT DO DIRECT PAYMENTS, SO YOU MUST HAVE A VENDOR FOR YOUR UTILITY COMPANY OR THE NAME OF THE PERSON THAT WILL DELIVER YOUR FUEL!**

IF YOU RECEIVE A LETTER FOR INSUFFICIENT FUNDS, YOUR APPLICATION WILL BE KEPT ON FILE, ON A WAITING LIST, UNTIL THE END OF OUR FISCAL YEAR.

IF YOU RECEIVE AN APPROVAL LETTER, IT WILL TAKE SEVERAL WEEKS BEFORE THE FUNDS ARE SENT TO YOUR VENDOR. YOU WILL RECEIVE A CREDIT ON YOUR BILL WHEN THE FUNDS ARE SENT TO THE UTILITY COMPANY. IF YOU ARE HEATING WOOD, KEROSENE OR COAL, A VOUCHER WILL BE SENT TO YOUR VENDOR. WHEN WE RECEIVE THE VOUCHER BACK, SIGNED AND DATED, AND THE DELIVERY TICKET COMPLETED BY THE VENDOR, SIGNED AND DATED BY YOU AND THE VENDOR, WE WILL MAKE PAYMENT TO THE VENDOR FOR THE DELIVERY.

SETHRA DOES NOT DISCRIMINATE AGAINST ANY PERSON BASED ON DISABILITY, RACE, COLOR, RELIGION, SEX, AGE OR NATIONAL ORIGIN.

FUNDED BY: THDA



1437 Winchester Hwy., P. O. Box 638, Fayetteville, TN 37334
James Coy Anderson, Executive Director
931-433-7182
www.schra.us

June 1, 2015

Ms. Dena Winningham, Audit Manager
Comptroller of the Treasury
Department of Audit, Division of State Audit
Suite 1500, James K. Polk Bldg.
505 Deaderick Street
Nashville, TN 37243-1402

Dear Ms. Winningham,

I am responding to the letter from Ms. Deborah Loveless dated May 6, 2016 in regards to requirement to report actions taken towards the Sunset Review Audit.

I am attaching a copy of my original responses to the three (3) findings from the South Central Human Resource Agency and what has occurred since. It is my hopes that this will serve the requirements of the letter.

Thank you,


James Coy Anderson
Executive Director

*Helping People
Help Themselves*



SOUTH CENTRAL
SCHRA
HUMAN RESOURCE AGENCY

1437 Winchester Hwy., P. O. Box 638, Fayetteville, TN 37334
James Coy Anderson, Executive Director
931-433-7182
www.schra.us

State of Tennessee
Comptroller of the Treasury
Department of Audit, Division of State Audit
Suite 1500, James K. Polk State Office Bldg.
505 Deaderick St.
Nashville, TN 37243-2765

ATTN: Deborah V. Loveless, CPA, CGFM, Director
Division of State Audit

Re: SOUTH CENTRAL HUMAN RESOURCE AGENCY PERFORMANCE AUDIT FINDINGS RESPONSES

Finding #3: Nutrition and In-home Services Program - - South Central Human Resource Agency did not conduct timely criminal background checks and registry reviews, putting client safety at risk; all human resource agencies need clarification of standards for checking the background of volunteers.

We concur with the finding. The agency has instituted a timely background checks and registry reviews program that will fall within the prescribed guidelines for, both, employees and volunteers. These are in compliance with, and exceed, those required by the Tennessee Commission on Aging and Disabilities Policy and Procedures in the Nutrition Chapter (Chapter 7, page 34) regarding background checks. All employees and volunteers that have "direct" contact with clients have a Tennessee Criminal History Background Check completed nor do they have client contact until the report is furnished to the Agency and they are officially hired. All employees and volunteers ("direct" or "indirect" contact with clients) do undergo the required National & Tennessee Sex Offender Registry, Tennessee Felony Offender Registry, Tennessee Out of State Probation and Parole Registry, and the Tennessee Abuse Registry, as required. This is done for the benefit of those working in the Homemaker and Protective Homemaker Services Programs. By staying in compliance in this area, we feel as though our programs are taking the means to provide an employee or volunteer that will enhance the safety of our clients and make the clients feel more comfortable and secure when having contact with the employee or volunteer. South Central has been performing background checks and registry checks on employees and volunteers for the past several years. We will now monitor the files more closely to see that the correct documentation is in each individual file.

Same

Finding #5: Community Corrections Program – South Central Human Resource Agency did not deposit funds in a timely manner.

We concur with the finding. The Community Corrections Program Director and the agency have developed a plan to be in compliance with the TDOC requirement that all "funds will be deposited within 72 hours after collection." The Community Corrections Program Policies and Procedures Manual, Section 6.06, paragraph 3, addresses the procedures to be followed to insure compliance with this requirement. Paragraph 3 states—"All supervision fee payments collected must be accounted for and receipted in a dedicated receipt book maintained by each Case Officer. All supervision fee payments shall be entered into the ADE data base by Case Officer and original money orders with attached receipt shall be delivered to the Community Corrections central office by hand or deposited on the SCHRA van to be delivered the day following collection from offender. Program Director or designee shall enter fee payments into a dedicated data base for processing, calculating and submitting to the Fiscal Department of SCHRA. The report and deposit generated by the Program Director or designee shall be submitted to the agency receptionist to be counted, verified, and delivered to the Fiscal Department for inclusion in the day's receipts for deposit. Receipts must be processed by 10:00 AM to insure inclusion in the daily deposit. Anything received after 10:00 AM will be included in the following days' deposit. The deposit must be completed within a 72 hour time frame per contract." The policy was fully implemented by the Corrections Program and the agency on July 1, 2014. It is our goal to meet this standard in all aspects of the contract requirement. Same

Finding #10: Internal Controls – South Central Human Resource Agency has adopted bylaws allowing board members to vote by proxy, which is prohibited by the human resource agency statute.

We concur with the finding. South Central Human Resource has it on the agenda for the upcoming Governing Board, Policy Council, and Executive Committee meeting which will convene on Thursday, November 20, 2014 to amend the bylaws of said agency by deleting this bylaw in its entirety.

Sincerely,



James Coy Anderson
Executive Director

South Central Human Resource Agency response to request of May 6, 2015 as required by TCA 8-4-109(b):

Finding #3: Nutrition and in-home Services Program---South Central Human Resource Agency did not conduct timely criminal background checks and registry reviews, putting client safety at risk; all human resource agencies need clarification of standards for checking the background of volunteers.

In discussing this matter with the Nutrition and in-home Services Program Director, I am of the opinion as is she that we are in compliance with, and exceed, those required by the Tennessee Commission on Aging and Disabilities Policy and Procedures in the Nutrition Chapter (Chapter 7, page 34) regarding background checks. To assure compliance with this recommendation, I have been assured by the Program Director that all required background checks and registry reviews are taking place prior to anyone being placed on the payroll of South Central. I am also enclosing a copy of and e-mail from our Commission on Aging and Disabilities representative providing guidance to us along with a copy of Policy and Procedures for Criminal Background Checks, Notice of Tentative Decision to Disqualify based on Criminal History, *and* Opportunity to Submit Additional Information, Background Check Policy for In Home Services, and In-Home Attendant/LTC & HCBS Background Checklist of on-line Registries for completing checks for all nutrition employees and volunteers. These Policies and Procedures were passed by the Personnel Committee of SCHRA on March 27, 2014 and also by the Policy Council and ratified by the Executive Committee on same date. A copy of the minutes of the Committee and the Policy Council and the Executive Committee are also enclosed.

Finding # 5: Community Corrections Program---South Central Human Resource Agency did not deposit funds in a timely manner:

This finding has been addressed and attached to this letter is correspondence from the TN Dept of Corrections Director of Community Corrections Program giving guidance as to how funds (fees) are to be deposited. A policy for South Central was put into effect in April of 2014 to address this issue. A revised, stronger policy was passed by the Agency Policy Council and ratified by the Executive Committee on May 28, 2015 meeting in regular session. A copy of the policy and the minutes of the meetings are included.

Finding # 10: Internal Controls---South Central Human Resource Agency has adopted by-laws allowing board members to vote by proxy, which is prohibited by the human resource agency statute.

This finding has been addressed on the date stated in original concurrence. On Thursday, November 20, 2014 the Policy Council amended the by-laws of the agency to delete in its entirety the section on proxy voting and having a representative to attend the meetings in the place of a County Mayor/Executive. The actions of the Policy Council were ratified on the same date and a copy of both meetings are included along with the by-laws showing the deletion.

Respectfully submitted,



Donna Brazier - TCAD P&P

From: "Katrina Crisp" <kcrisp@sctdd.org>
To: "Donna Brazier" <d.brazier@schra.us>
Date: 11/6/2014 10:22 AM
Subject: TCAD P&P

Donna,
This is the TCAD P&P in the Nutrition chapter (Chapter 7, page 34) regarding background checks:

7-12-.02 Background Checks

All service providers, contractors, and subcontractors must verify individual criminal history, background information for employees and volunteers who provide direct care or, have direct contact with, or have direct responsibility for the safety and care of disabled or elderly persons in their homes. [T.C.A. 71-2-111] A local or state criminal background check may be waived by the provider for volunteers who work in the Nutrition Program; however, checks of the National Sex Offender Registry, Tennessee Felony Offender Registry and the Tennessee Abuse Registries must be performed and documented.

Hope this helps.

Thanks,
Katrina

Prepared by:

John P. Scruggs, Attorney
262 German Oak Drive
Memphis, Tennessee 38018
901-488-5022

PROPOSED POLICY

CRIMINAL BACKGROUND CHECKS and

USE OF CRIMINAL HISTORY INFORMATION IN EMPLOYMENT DECISIONS

1. Studies show that criminal background checks are a valuable predictor of future employee behavior in certain circumstances. However, the relationship between past crime and future behavior declines significantly with time and varies by age, number of crimes and types of past offenses. This policy accommodates these factors by use of a "Targeted Screen" instead of a blanket prohibition, and an "Individualized Assessment" in cases where a criminal history is reported.
2. The Company may conduct criminal record checks as part of the application process. This check may include appropriate court records relating to the applicant's places of residence or other state-by-state or national criminal databases for evidence of felony and/or misdemeanor convictions relevant to the position sought.
3. Criminal record checks will be conducted in accordance with applicable law – federal, state and sometimes local. However, local or state laws are invalid if more lenient than federal law as interpreted by the EEOC and the courts. This policy is written to conform to federal law and EEOC regulations and guidelines. Business units are responsible for determining any applicable state or local laws regulating the use of criminal history information. The Human Resources function and the Corporate Employee Relations department are available to assist in determining the applicable laws and in the application of this policy.
4. Applicants or employees will be notified if a criminal record check will be conducted and will be required to complete a Disclosure and Authorization form in accordance with the Fair Credit Reporting Act (FCRA), authorizing the Company to conduct a criminal record search.
5. Unless otherwise provided by law, a criminal record will not automatically disqualify an applicant or employee. Rather, determinations of suitability based on criminal record checks will be made consistent with this policy and any applicable law or regulations.
6. If a criminal record is received, the Company will closely compare the record provided with the information on the Disclosure and Authorization Form and any other identifying information provided by the applicant or employee, to ensure the record relates to the applicant or employee. If the criminal record provided does not exactly match the identification information provided by the applicant or employee, the Company will make a determination based on a comparison of the criminal record and documents provided by the applicant or employee.

7. If the Company intends to make an adverse decision based on the results of the criminal background check, the applicant or employee will be notified immediately. The applicant or employee will be provided with a copy of the criminal record, this Company policy, and the FCRA Summary of Rights, and will be advised of the part(s) of the record that make the individual unsuitable for the position. The Company will provide the applicant or employee with an opportunity to dispute the accuracy and relevance of the criminal record.
8. Applicants or employees challenging the accuracy of a criminal record shall be provided a reasonable time to obtain a certified copy of their criminal history from the appropriate court or governmental entity.
9. If the Company reasonably believes the record belongs to the applicant or employee and is accurate, then the Company will conduct an Individualized Assessment to determine the applicant or employee's suitability for the position at issue. Unless otherwise provided by law, factors considered in determining suitability may include, but not be limited to the following:
 - a. Seriousness and specific circumstances of the offense – whether the crime involved the wrongful taking of money or property, deception, deceit, violence, threats or intimidation, racial or other “hate crime” motivation, bodily injury or death. Was there a unique provocation unlikely to reoccur in the workplace?
 - b. The nature of the work to be performed – including the level of supervision, interaction with co-workers or others, access to money or easily resalable property, etc.
 - c. Relevance of the crime to the position sought.
 - d. Time since the conviction or release from incarceration – there being a time at which a former criminal is no longer any more likely to recidivate than the average person.
 - e. Age of the person at the time of the offense.
 - f. The number of offenses.
 - g. Whether the person has pending charges.
 - h. Any relevant evidence of rehabilitation or lack thereof.
 - i. Any other relevant information, including information submitted by the candidate or requested by the Company.
10. The Individualized Assessment will be documented on the form provided as part of this policy.
11. The Company will notify the applicant or employee of the decision and the basis of the decision in a timely manner. The applicant or employee will be given an opportunity to demonstrate they should not be disqualified on the basis of their criminal record because of:
 - a. The facts or circumstances surrounding the offense or conduct;

- b. The number of offenses for which the individual was convicted;
- c. Age at the time of conviction, or release from prison;
- d. Evidence that the individual performed the same type of work, post conviction, with the same or a different employer, with no known incidents of criminal conduct;
- e. The length and consistency of employment history before and after the offense or conduct;
- f. Rehabilitation efforts, c.g., education/training;
- g. Employment or character references and any other information regarding fitness for the particular position;
- h. Whether the individual is bonded under a federal, state, or local bonding program.

If the applicant or employee does not provide such additional facts, the Company may make its decision based on the facts at its disposal.

12. If the Company, by following the above procedure, makes a determination the individual is not qualified for the position by virtue of their criminal history, the Company will consider whether there is an "alternative employment practice" that would not result in prohibition from employment. For example, an employee with a relevant history of embezzlement could potentially have his or her job altered so that the person would not have access to cash or other readily saleable property.
13. No applicant or employee will be disqualified because of their criminal history without the review and concurrence of a Human Resources professional.
14. Even in the absence of a criminal conviction, an applicant or employee may be disqualified if the Company has factual knowledge that the person engaged in conduct contrary to the standards set out herein. For example, an employee is found by the police with a large quantity of drugs on his person, is arrested and charged for felony drug distribution, but the charges are later dismissed because the police did not have probable cause to conduct a search. In this situation, the Company may make its own inquiry and review of the facts and determine if, in its opinion and good faith belief, the person actually engaged in the conduct (drug possession) for which he was arrested and charged.
15. Any questions about the application of this policy may be directed to your Human Resources staff or the Corporate Employee Relations Department.

Prepared by:

John P. Scruggs, Attorney
262 German Oak Drive
Memphis, Tennessee 38018
901-488-5022

PROCEDURE

for

USE OF CRIMINAL HISTORY INFORMATION IN EMPLOYMENT DECISIONS

I. TARGETED SCREENING OF APPLICANTS

1. Check for any state or local laws regarding the use of criminal history in employment decisions. Local or state laws are invalid if more lenient than federal law. This policy is written to conform to federal law and EEOC regulations and guidelines. Your Human Resources function and the Corporate Employee Relations department are available to assist in determining the applicable laws relating to the application of this policy.
2. Review recruiting and employment application materials to eliminate any blanket disqualification because of criminal history. Replace with *"Conviction of a crime is not an automatic bar to employment. All circumstances will be considered, including the nature and seriousness of the crime, the date of the crime, and the applicant's rehabilitation record."*
3. Revise the job description, adding a new section listing criminal convictions relevant to the job and the safety and protection of persons and property¹:

Potentially Disqualifying Offenses (the example below is for a warehouse worker)

- Theft, embezzlement, burglary, robbery, larceny or other wrongful taking of money or property belonging to another.
- Illegal drug possession or use.
- Causing or attempting intentional injury to another person, ex., assault and battery, murder, manslaughter, rape.

Conviction of a crime is not an automatic bar to employment. All circumstances will be considered, including the relevance to the employment sought, the nature and seriousness of the crime, the date of the crime and completion of the sentence, and the applicant's rehabilitation record.

4. In formulating the list of Potentially Disqualifying Offenses, consider:

¹ Determining the relevant criminal offenses in advance of receiving employment applications is more credible as a bona fide employment criterion than implementing the potentially disqualifying offenses after learning of an applicant's criminal history.

- Job title, duties and essential functions (ex., data entry, lifting boxes, machine operator, care giver)
- Level of supervision
- Degree of interaction with co-workers, the public or vulnerable individuals
- Work environment (ex., outside, in a warehouse, in a private home, pace of work and stress involved)

II. RECRUITING

1. Notify the applicant that a criminal record check will be conducted.
2. Have the applicant complete a Fair Credit Reporting Act ("FCRA") Disclosure and Authorization Form.²
3. Check include appropriate court records relating to the applicant's places of residence or other state-by-state or national criminal databases for evidence of felony and/or misdemeanor convictions.

III. INDIVIDUALIZED ASSESSMENT

1. If a Criminal History Report is received, closely compare it with the information on the Disclosure and Authorization Form and any other identifying information provided by the applicant or employee – to ensure the record relates to the applicant.³
2. Compare the Criminal History Report against the previously determined Potentially Disqualifying Offenses listed on the job description. Factors considered in determining the applicant's suitability for the position include, but not be limited to, the following:
 - a. Seriousness and specific circumstances of the offense – whether the crime involved the wrongful taking of money or property, deception, deceit, violence, threats or intimidation, racial or other "hate crime" motivation, bodily injury or death. Was there a unique provocation unlikely to reoccur in the workplace?
 - b. The nature of the work to be performed – including the level of supervision, interaction with co-workers or others, access to money or easily resalable property, etc.
 - c. Relevance of the crime to the position sought.

² This must be a separate document. A "boilerplate" authorization at the bottom of an employment application is insufficient.

³ If the criminal record provided does not exactly match the identification information provided by the applicant or employee, the Company should make a determination based on a comparison of the criminal record and documents provided by the applicant or employee.

- d. Time since the conviction or release from incarceration – there being a time at which a former criminal is no longer any more likely to recidivate than the average person.
 - e. Age of the person at the time of the offense.⁴
 - f. The number of offenses.
 - g. Whether the person has pending charges the Company should investigate.⁵
 - h. Any relevant evidence of rehabilitation or lack thereof.
 - i. Any other relevant information, including information submitted by the candidate or requested by the Company.
3. The Individualized Assessment will be documented on the Worksheet provided as part of this policy.

IV. APPLICANT'S OPPORTUNITY TO REBUT POTENTIALLY DISQUALIFYING CRIMINAL HISTORY INFORMATION

1. If the Company makes a tentative decision to disqualify the applicant based on the results of the Criminal History Report:
 - a. Notify the applicant of the tentative decision, including the potentially disqualifying criminal history item(s).
 - b. Provide the applicant with a documents packet including (1) a copy of the Criminal History Report, (2) the Company policy⁶ and (3) the FCRA Summary of Rights.
 - c. Notify the applicant of a Date, Time and Place for the applicant to dispute the accuracy and relevance of the criminal record. [See form Notice provided.] State that the applicant's failure to appear will result in the Company making its employment decision based on the information on hand. Invite an applicant wishing to challenge the accuracy

⁴ Studies have shown that recidivism rates tend to decline as ex-offenders' ages increase. A 2011 study cited by the EEOC found that an individual's age at conviction is a variable that has a "substantial and significant impact on recidivism." For example, the 26-year-olds in the study, with no prior criminal convictions, had a 19.6% chance of reoffending in their first year after their first conviction, compared to the 36-year-olds who had an 8.8% chance of reoffending during the same time period, and the 46-year-olds who had a 5.3% of reoffending.

⁵ An employment decision cannot be based on the mere fact that an individual has been arrested or charged – but a recent, pending criminal charge may prompt an employer to look into the underlying facts that caused the charge. Even in the absence of a criminal conviction, an applicant or employee may be disqualified if the Company has factual knowledge that the person engaged in conduct contrary to relevant, job-related criteria. For example, an employee is found by the police with a large quantity of drugs on his person, is arrested and charged for felony drug distribution, but the charges are later dismissed because the police did not have probable cause to conduct a search. In this situation, the Company may make its own inquiry and review of the facts and determine if, in its opinion and good faith belief, the person actually engaged in the conduct (drug possession) for which he was arrested and charged. The conduct, not the arrest or charge, is relevant for employment purposes.

⁶ Not this checklist, but the Policy on Criminal Background Checks and Use of Criminal History Information in Employment Decisions.

of a criminal record to obtain a certified copy of their criminal history from the appropriate court or governmental entity.

2. Meet with the applicant and given them an opportunity to demonstrate they should not be disqualified on the basis of their criminal record because of:
 - a. The facts or circumstances surrounding the offense or conduct;
 - b. The number of offenses for which the individual was convicted;
 - c. Age at the time of conviction, or release from prison;
 - d. Evidence that the individual performed the same type of work, post conviction, with the same or a different employer, with no known incidents of criminal conduct;
 - e. The length and consistency of employment history before and after the offense or conduct;
 - f. Rehabilitation efforts, e.g., education/training;
 - g. Employment or character references and any other information regarding fitness for the particular position;
 - h. Whether the individual is bonded under a federal, state, or local bonding program.

If the applicant or employee does not provide such additional facts, the Company may make its decision based on the facts at its disposal.

V. ELIGIBILITY DECISION and POST-DECISION ACTIONS

1. If the Company, by following the above procedure, makes a determination the individual is not qualified for the position by virtue of their criminal history, the Company will consider whether there is an "alternative employment practice" that would not result in prohibition from employment. For example, an employee with a relevant history of embezzlement could potentially have his or her job altered so that the person would not have access to cash or other readily saleable property.
2. No applicant or employee will be disqualified because of their criminal history without the review and concurrence of a Human Resources professional.
3. Even in the absence of a criminal conviction, an applicant or employee may be disqualified if the Company has factual knowledge that the person engaged in conduct contrary to the standards set out herein. For example, an employee is found by the police with a large quantity of drugs on his person, is arrested and charged for felony drug distribution, but the charges are later dismissed because the police did not have probable cause to conduct a search. In this situation, the Company may make its own inquiry and review of the facts and determine if, in its opinion and good faith belief, the person actually engaged in the conduct (drug possession) for which he was arrested and charged.

Any questions about the application of this procedure may be directed to your Human Resources staff or the Corporate Employee Relations Department.

Prepared by:

John P. Scruggs, Attorney
262 German Oak Drive
Memphis, Tennessee 38018
901-488-5022

**NOTICE OF TENTATIVE DECISION TO DISQUALIFY
BASED ON CRIMINAL HISTORY
and
OPPORTUNITY TO SUBMIT ADDITIONAL INFORMATION**

To:

Date:

The Company has obtained information that indicates you have a prior criminal history that may disqualify you from further consideration for employment as a _____.

Furnished with this Notice is a copy of the criminal history record we obtained. Specifically, the following conviction(s) are contrary to the job-related requirements for the referenced position:

Date of Conviction: _____ Court: _____

Offense: _____

Date Sentence (including probation) Completed: _____

Date of Conviction: _____ Court: _____

Offense: _____

Date Sentence (including probation) Completed: _____

A copy of the Company policy regarding the use of criminal history information in employment decisions is furnished, along with a summary of your rights under the Fair Credit Reporting Act.

If you believe the criminal history information we obtained does not relate to you or is incorrect in some way – or if you wish to present additional information showing your criminal history should not disqualify you from the position for which you have applied – notify the undersigned within two business days of your receipt of this packet and a meeting will be scheduled to receive your additional information and discuss this matter further with you.

At such meeting, you will have an opportunity to present information as follows:

1. The facts or circumstances surrounding the offense or conduct;
2. The number of offenses for which the individual was convicted;

3. Age at the time of conviction, or release from prison;
4. Evidence that the individual performed the same type of work, post conviction, with the same or a different employer, with no known incidents of criminal conduct;
5. The length and consistency of employment history before and after the offense or conduct;
6. Rehabilitation efforts, e.g., education/training;
7. Employment or character references and any other information regarding fitness for the particular position;
8. Whether the individual is bonded under a federal, state, or local bonding program.

If you challenge the validity or accuracy of the criminal record obtained by the Company, you are invited to obtain a certified copy of your criminal history from the appropriate court or governmental entity.

If you do not request a review meeting or provide additional facts as set out above, the Company will make its decision based on the facts at its disposal.

Failure to appear at a scheduled meeting, absent documented good cause, will result in the Company making its employment decision based on the information on hand.

Sincerely,

Human Resources Manager

In-Home Care Attendant / LTC & HCBS Background Checklist

The searches list below must be completed prior to any work being performed by employees.

Search websites

Ensure Name Appears on Search Results or Search Request

Print Results & Attach to this check off list.

Employee Name: _____

Last 4 # of SSN _____

- ☐ Tennessee Abuse Registry
health.state.tn.us/AbuseRegistry/default.aspx
- ☐ Tennessee Felony Offender Registry
<https://apps.tn.gov/foil-app/search.jsp>
- ☐ Tennessee Sexual Offender Registry
www.tbi.state.tn.us/sorint/SOMainpg.aspx
- ☐ National Sexual Offender Registry
www.nsopw.gov/Core/Portal.aspx
- ☐ List of Excluded Individuals/Entities (LEIE)
<http://www.exclusions.oig.hhs.gov/>
- ☐ Excluded Parties List System (EPLS) Check
<https://www.sam.gov/portal/public/SAM>
- ☐ Tennessee Criminal History Background Check
 - ☐ Copy of Completed Application
 - ☐ Background Check Report Form

Supervisor

Date

BACKGROUND CHECK POLICY (IN HOME SERVICES)

The following background checks are done on all new hire employees for in home services:

- Tennessee Abuse Registry
- Tennessee Felony Offender Registry
- Tennessee Sexual Offender Registry
- National Sexual Offender Registry
- List of Excluded Individuals/Entities (LEIE)
- Excluded Parties List System (EPLS) Check
- Tennessee Criminal History Background Check

The following background checks are done on a monthly basis for all current employees for in home services:

- List of Excluded Individuals/Entities (LEIE)

The following background checks are done on a yearly basis for all current employees for in home services:

- Tennessee Abuse Registry
- Tennessee Felony Offender Registry
- Tennessee Sexual Offender Registry
- National Sexual Offender Registry

If the background check discloses any misrepresentation on their application or information indicates that the individual is not suited for employment with the agency, the applicant will be refused employment or terminated.

**SOUTH CENTRAL HUMAN RESOURCE AGENCY
PERSONNEL/POLICIES & PROCEDURES
COMMITTEE MEETING
MINUTES**

MARCH 27, 2014

The Personnel/Policies & Procedures Committee was called to order by Acting Chairperson Mayor Peggy Bevels, in the absence of Chairperson Sandy Calvert, on March 27, 2014 at 10:15 AM, at the SCHRA central office.

Mayor Bevels declared a quorum with the following members in attendance: Mayor Peggy Bevels, Mr. Willie Lee Leslie, with proxies submitted for Sandy Calvert, designated Peggy Bevels, and Mr. Wayne Limbaugh, designated Mr. Willie Lee Leslie. Others in attendance were Human Resource Manager Scarlet Patterson and Executive Secretary Patsy Freeman.

The previous minutes were approved on motion by Mr. Leslie and seconded by proxy vote for Mr. Limbaugh. Motion carried.

The Human Resource Manager's report was approved on motion by Mr. Leslie and seconded by proxy vote for Mr. Limbaugh. Motion carried.

Employee actions for the months of January and February 2014 were approved on motion by Mr. Leslie and seconded by proxy vote for Mr. Limbaugh. Motion carried.

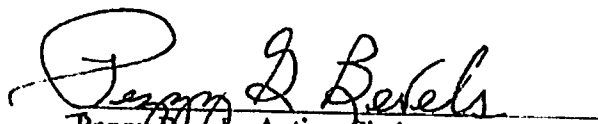
Proposed Policy and Procedure on Criminal Background Checks and use of criminal history information in employment decisions was approved on motion by Mr. Leslie and seconded by proxy vote for Mr. Limbaugh. Motion carried. Mrs. Patterson noted this was an ad hoc policy that was never put in writing. She said now we will have something to show the monitors. Mr. Leslie asked if we can hire a felon and Mrs. Patterson said it is on a case by case basis – we look at a lot of different things before there is a negative decision. There are some instances where we absolutely cannot hire a felon such as Head Start and going in to homes. Mrs. Patterson said if something negative shows up on a background check, the person gets to see the report and address it.

Mayor Bevels complimented Mrs. Patterson on having good common sense as well as business sense.

With no further business, the meeting was adjourned on motion by Mr. Leslie and seconded by proxy vote for Mr. Limbaugh. Motion carried.

Respectfully submitted,


Patsy Freeman, Acting Secretary


Peggy Bevels, Acting Chairperson

**SOUTH CENTRAL HUMAN RESOURCE AGENCY
POLICY COUNCIL MEETING
MARCH 27, 2014**

MINUTES

The SCHRA Policy Council Meeting was called to order by Vice Chairperson Peggy Bevels in the absence of the Chairperson, on March 27, 2014 at 11:00 AM, in the SCHRA central office conference room, Fayetteville, TN.

The invocation was given by Mr. William McNairy and then we held the Pledge of Allegiance.

Secretary Joanne Lord called the roll and the Vice Chairperson declared a quorum with the following members in attendance:

Mr. Will P. Martin	Bedford County
County Mayor David Pennington	Coffee County
Mr. Wayne Limbaugh*	Coffee County
County Mayor Richard Stewart	Franklin County
County Mayor Janet Vanzant*	Giles County
Ms. Shirley DeVore	Hickman County
Ms. Sandy Calvert*	Lawrence County
County Mayor Van Ward	Lewis County
Mrs. Sue Turnbow	Lewis County
Ms. Wanda Hinson	Lewis County
County Mayor Peggy Bevels	Lincoln County
Mr. Willie Lee Leslie	Lincoln County
County Mayor Joe Boyd Liggett	Marshall County
Mrs. Barbara Boyett	Marshall County
Mr. Eugene Richardson	Maury County
Metro/County Mayor Sloan Stewart	Moore County
Mr. Dolan Eady	Moore County
Mrs. Joanne Lord	Perry County

*denotes proxy

Others in attendance were Executive Committee members Mr. William McNairy and Mr. Robert Williams; Mr. Joe Evans and Ms. Katrina Crisp of the SCTDD, and SCHRA senior staff members.

Previous minutes were approved on motion by Mayor Liggett and seconded by Mayor Richard Stewart. Motion carried.

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Program Reports:

Pamela Morris, Title V Director, asked that her report be approved as submitted. We have been recertifying all our participants and it must be completed by the end of March. We are working on placements. Ms. Morris said we will probably have twenty (20) coming off the program in June so we will be enrolling. She told the board if you know of anyone that would be interested in the Title V program, to refer them to our office. Ms. Morris invited the board to visit our booth at the Franklin County Business Expo this evening in Cowan.

Bobbie Cox, FGP Director, asked that her report be approved as written. She said we are having a Pancake breakfast in Wayne County on April 12th and in Lincoln County on April 26th as a fundraiser. Mrs. Cox said the grannies will be going home a few weeks early for the school year.

Jackie Hamlin, RSVP/VITA Director, requested that her report be approved as written. She asked the board members to look at her report on page 9. It was noted in her report, that as of March 31, 2014, SCHRA will no longer have the Retired Senior Volunteer Program.

Donna Brazier, Nutrition/Homemaker Director, reported we have eliminated caps at congregate meal sites making it open to everyone with a reservation. This is due to available funds. Yearly training for Homemakers will be given county by county because we are unable to bring them all in to a central location. Mrs. Brazier said the Catering Program is very successful. For your information, Mrs. Brazier said people are now able to make donations to any of our programs through PayPal on our website. Mr. Anderson noted that we had a client on our program for about 15 years in Wayne County. After her death, the client left the Nutrition Program money in her Will. Mrs. Brazier said we have also received some private donations from Maury County.

Cindy Miles, Community Services Director, asked that her reports be approved as submitted. She handed out a Community Needs Assessment online tool for information – she said it is on our website. We use it in our needs assessment. LIHEAP funds were drastically cut thru THDA – we served 5,019 and denied 2,005 clients due to lack of funds. Mrs. Miles said we did receive word we will probably receive more money but it probably won't be until May; hopefully we will be able to serve those that were denied. We are also supposed to receive \$60,000 in additional funds but this money will probably be used for crisis only.

Mr. Anderson noted that the Community Representative Payee Program (CRPP) is really growing – we have over 200 clients now. A payee program in the Upper Cumberland area lost their program, so we have took on some of their clients. Mayor Bevels asked how much are we getting paid for each client and Mrs. Miles said we get \$40.00 per person.

Mr. Anderson, Commodities Director, reported we served 1,693 clients at the time of this report. He noted you see some zeros on the report because the commodity distributions have

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3-27-14

not been held yet. We received 96,384 pounds of commodities and have distributed 59,255 pounds. Mr. Anderson said the commodity warehouse is a revolving door – commodities come in and they go out.

Judy McLeod said the Community Corrections grant should be released in a couple of days so we will be asking for Letters of Support from each of the county officials again. Our grant is going back to a three year contract. We were monitored recently and received very good reports. We are doing DNA reports on our clients – the cost for each client is \$37.00 and we get \$15.00 of that and the funds are being placed in a separate restricted account. Mrs. McLeod said Commissioner Scofield sent out a report that showed over the past year, only 14% of Community Corrections clients have re-offended. Mrs. McLeod said we are still fingerprinting. Mr. Anderson has sent a letter to MorphoTrust to come get their equipment – as of today, we have not heard anything from them.

Mr. Anderson asked that the Executive Director report be approved as written and mailed. He said he did want to brag on the board members that took their time to be a part of the Head Start screening process. Mr. Anderson noted that the board portion of the screening passed with thumbs up all the way.

All program reports, with the exception of the Head Start report, were approved on motion by Mrs. Lord and seconded by Mayor Richard Stewart. Motion carried.

Laure Hopper, Head Start/EHS Director, thanked those that attended the Columbia Open House. She said after eight (8) years, the first full day for kids was yesterday at Columbia. Since the Columbia project is complete, our maintenance crew is now free to work on other projects and some emergency things that need to be addressed. Our screening was done by one person and one of the issues was with the Pre-K playground – rusty gutters. Mrs. Hopper noted that we have not received a written report as of this date from the screener. Mrs. Hopper said in addition to her January/February Head Start/EHS report, she needs the following items approved: 1) 2014-2015 Grant Application, 2) 2014-2015 Sequestration Restoration Plan 1.3% COLA and Budget, 3) the School Readiness update March 2014, 4) 2014-2015 Training & Technical Assistance Plan, 5) 2014-2015 Program Plans, 6) the Community Assessment Update March 2014, 7) 2012-2013 Annual Report, 8) By-Laws Update March 2014, and 9) 2013-2014 Program Improvement Plan. Mrs. Hopper said our grant is the same as last year – no changes and she said on page 5 of the application, under the topic *Dual Language Learners and Immigrant Families; Cultural Diversity in Rural Areas*, the word English should be added to classrooms have materials in..... Mrs. Hopper said our program was lucky because we are getting back the 5.27 percent reduction from sequestration and 1.3 percent cost-of-living adjustment. The cuts being restored will also help our children. On behalf of Head Start/EHS, Mrs. Hopper said she wanted to thank those that participated in the meeting with our screener. She noted that the Head Start/EHS Policy Council will be meeting monthly starting next month. The Head Start/EHS report was approved on motion by Mayor Richard Stewart and seconded by Mayor Pennington. Motion carried.

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Budget Committee Report:

Mayor Richard Stewart, acting Budget Committee Chairman, said the committee met prior to this meeting and reviewed and approved FY-13 Audit Report; the Combined Balance Sheet, the Combined Statement of Revenues and Expenditures, and the Financial Report by Program, all for period ending 2/28/14; Head Start/EHS T & TA Plan and proposed budgets with a 1.3% COLA ending 6/30/15; Sequestration Restoration Plan for Head Start/EHS ending 6/30/15; SCHRA Consolidated Budget proposal for year ending 6/30/14; revised Accounting Manual; and the Director of Financial Operations Report. The Budget Committee reviewed a sample RFP for selection of an auditor. It was noted that our auditors should be changed every three to five years. Mayor Stewart reported that Kim LeFebvre of Rodefer Moss & Co. met with the committee to discuss the audit and Laure Hopper went over the sequestration restoration plan with the committee. On motion by Mayor Richard Stewart and seconded by Mayor Sloan Stewart, the Budget Committee Report was approved. Motion carried.

Personnel Committee Report:

Mayor Peggy Bevels, Acting Personnel Committee Chairperson, said the committee met prior to this meeting and discussed and approved the Human Resource Manager's Report, Employee Actions for January and February 2014, and a Policy on Criminal Background Checks and use of criminal history information in employment decisions. The Personnel Committee Report was approved on motion by Mayor Liggett and seconded by Mr. Martin. Motion carried.

Property Committee Report:

Property Committee Chairman Mayor Liggett said the committee met prior to this meeting but was absent a quorum. The committee recommends that the items listed for disposal be approved by the full board, with the exception of modular play station in the amount of \$18,550 (last item on page 83 of the docket) – this item is withdrawn for lacking sufficient documentation. Motion to approve the Property Committee Report was made by Mayor Liggett and seconded by Mr. Martin. Motion carried.


Policy Council Approval & Recommendation to Ratify:

Motion to adopt, approve and recommend ratification by the Executive Committee was made on motion by Mayor Sloan Stewart and seconded by Mayor Richard Stewart. Motion carried.

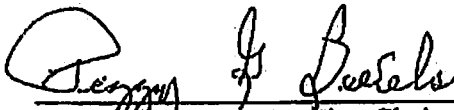
With no further business, the meeting was adjourned on motion by Mayor Pennington and seconded by Mayor Sloan Stewart. Motion carried.

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Respectfully submitted,



Joanne Lord, Secretary



Mayor Peggy Bevels, Vice-Chairperson

SOUTH CENTRAL HUMAN RESOURCE AGENCY
EXECUTIVE COMMITTEE MEETING
MARCH 27, 2014

MINUTES

The South Central Human Resource Agency Executive Committee Meeting met immediately following the Policy Council Meeting on March 27, 2014 at 11:00 AM in the SCHRA conference room. Vice Chairperson Peggy Bevels called the meeting to order.

Acting Secretary David Pennington called the roll and the Vice Chairperson declared a quorum with the following in attendance:

County Mayor David Pennington
County Mayor Richard Stewart
County Mayor Janet Vanzant *
Mr. William McNairy
County Mayor Van Ward
County Mayor Peggy Bevels
County Mayor Joe Boyd Liggett
Mr. Robert Williams
County Mayor Sloan Stewart

Coffee County
Franklin County
Giles County
Lawrence County
Lewis County
Lincoln County
Marshall County
Marshall County
Moore County

*denotes proxy

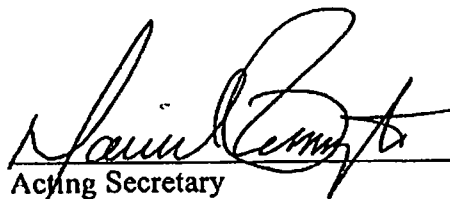
Others in attendance were Policy Council members, SCHRA staff members, and Mr. Joe Evans and Katrina Crisp of the SCTDD.

Previous minutes of January 30, 2014 were approved on motion by Mayor Richard Stewart and seconded by Mayor Pennington. Motion carried.

Ratification by the Executive Committee of the Policy Council actions this date was approved on motion by Mayor Liggett and seconded by Mr. Williams. Motion carried.

With no further business, the meeting was adjourned on motion by Mayor Richard Stewart and seconded by Mr. Williams. Motion carried.

Respectfully submitted,


Acting Secretary


Mayor Peggy Bevels, Acting Secretary



P.O. Box 264 • 1527 White Avenue • Henderson, Tennessee 38340-0264
Telephone: 731-989-5111 • Fax: 731-989-3095
Email: msmith@swhra.org

Jimmy Harris
Chairman of the Board

Mike Smith
Executive Director

May 26, 2015

RECEIVED

Ms. Deborah V. Loveless, CPA, CGFM, Director
Comptroller of the Treasury
Department of Audit
Division of State Audit
Suite 1500, James K. Polk State Office Building
505 Deaderick Street
Nashville, Tennessee 37243-1402

MAY 28 2015

STATE AUDIT

Dear Ms. Loveless:

Southwest Human Resource Agency has worked to correct the deficiencies noted in the Comptroller's Office Sunset Review Audit of the programs and operations of the Agency.. As a result of that audit, we have corrected the deficiencies cited in your report for the fiscal year ended June 30, 2014 and have made the following corrective action steps:

1. **Personnel files did not contain evidence that van drivers met criteria required by contracts, grant agreements, and agency job descriptions.** We concur. One of the personnel files reviewed did not contain documentation demonstrating that the driver had received defensive driving, first aid and CPR training. Two additional files did not contain documentation that the drivers had received first aid and CPR Training. Southwest HRA has three employees that are certified in first aid and CPR training and two employees that provide defensive driver training. All new drivers will complete these training activities before they are allowed to drive. In addition, our Human Resource Director will perform a review of all existing driver's personnel files to ensure that all required documentation is present. A checklist signed by the appropriate department director is now being required to be submitted for each employee is to the Human Resource Director as documentation that all information and procedures for new hires is completed. A copy of that form is included for review.
3. **Southwest did not conduct timely background checks and registry reviews, putting client safety at risk; all Human Resource Agencies need clarification of standards for checking the background of volunteers.** We concur. Southwest HRA failed to provide documentation of



A UNITED WAY OF WEST TENNESSEE INC. AGENCY

timely criminal background checks for volunteers working in the home delivered meals program. We perform criminal background checks through the county law enforcement agencies and registry reviews to ensure that those volunteers are at lower risk for our clients. We have updated the files of all volunteers to ensure that all required background and registry inquiries are documented and current. This information is scanned into our electronic imaging files and is made a part of our permanent record. This process will ensure that this process is performed timely. Documentation is on file.

- 12. The process used to determine meal counts for the Summer Food Program is manual and cumbersome and includes excessive paperwork.** We concur. The process of obtaining daily meal served data from the sites is very cumbersome. Those sites are managed by volunteers and often the meals served are reported to Southwest HRA with numerous errors. We often return the daily meal summary reports to the site when large reporting errors occur so that they can be corrected. Mathematical errors are reviewed by the Southwest HRA staff and corrections made. During the current year, all corrections made by the SWHRA staff are initialed by the person making the correction. We also implemented a new process requiring the vendor to submit individual delivery tickets for each site. With this procedure, we can easily reconcile the number of meals received to the number of meals served. Once the numbers are reconciled, they are entered on a spreadsheet to help correct addition errors before the reports are filed with DHS. We will continue to look for better ways to automate the process.

Thank you for your continued support of our agency and the many programs operated by Southwest Human Resource Agency. If you need additional information, please call me at (731) 989-5111.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Smith", written in a cursive style.

Mike Smith
Executive Director



EMPLOYEE NAME _____		HIRE DATE: _____		POSITION: _____		
REQUIRED DOCUMENT		YES	NO	1st REQUEST	2nd REQUEST	DATE RECEIVED
STATUS SHEET		_____	_____	_____	_____	_____
APPLICATION		_____	_____	_____	_____	_____
REFERENCE CHECK/INTERVIEW QUESTIONS		_____	_____	_____	_____	_____
EMERGENCY CONTACT		_____	_____	_____	_____	_____
W-4 FORM		_____	_____	_____	_____	_____
DEBIT/CREDIT AUTHORIZATION (DIRECT DEPOSIT)		_____	_____	_____	_____	_____
JOB DESCRIPTION		_____	_____	_____	_____	_____
PROOF OF EDUCATION		_____	_____	_____	_____	_____
HANDBOOK & CONFIRMATION		_____	_____	_____	_____	_____
TRAFFIC VIOLATION POLICY		_____	_____	_____	_____	_____
DISCLOSURE OF PERSONAL INTEREST		_____	_____	_____	_____	_____
CONFIDENTIALITY STATEMENT		_____	_____	_____	_____	_____
AGREEMENT FOR COMPUTER SERVICES		_____	_____	_____	_____	_____
PROOF OF REQUIRED PHYSICAL		_____	_____	_____	_____	_____
DATE OF RENEWAL: _____						
PROOF OF REQUIRED CDL LICENSE		_____	_____	_____	_____	_____
CDL LICENSE NUMBER: _____						
DATE OF RENEWAL: _____						
CPR/FIRST AID CERTIFICATION		_____	_____	_____	_____	_____
DATE OF RENEWAL: _____						
CRIMINAL HISTORY/ABUSE REGISTRY/BACKGROUND		_____	_____	_____	_____	_____
I-9/COPIES OF ID		_____	_____	_____	_____	_____
PROBATIONARY PERIOD		_____	_____	_____	_____	_____
IMMUNIZATIONS/ALLERGY FORM		_____	_____	_____	_____	_____
PROOF OF LIABILITY INSURANCE		_____	_____	_____	_____	_____
DRUG & ALCOHOL TRAINING		_____	_____	_____	_____	_____
INFECTION CONTROL TRAINING		_____	_____	_____	_____	_____
SOCIAL MEDIA POLICY		_____	_____	_____	_____	_____

Program Director Signature

Ms. Deborah V. Loveless, CPA, Director
Division of State Audit
Suite 1500, James K. Polk State Office Building
505 Deaderick Street
Nashville, Tennessee 37243

Dear Ms. Loveless,

Below is UCHRA's Corrective Actions taken to resolve findings during from Sunset Review:

Finding #3 – Did not conduct timely criminal background checks and registry reviews – UCHRA has implemented a policy that requires all Nutrition employees to have a background checks completed before they are authorized to begin work and all volunteers have completed the proper registry reviews before they are allowed in client's homes. Documentation attached.

Finding #5 – Did not deposit funds in a timely manner – With the clarification from the Tennessee Department of Corrections that states the seventy-two hours for timely deposits begins when the agency receipts the funds at the central location, all cash receipts have been deposited in a timely manner. TDOC has completed a monitoring review and all cash receipts after the change in receipting policies were deposited in a timely manner. Documentation Attached

Finding #11 – Need to ensure the accuracy of applicant data and apply eligibility standards consistently – UCHRA requested guidance from THDA on costs to include in the calculation of energy burden and this guidance is being applied to all client's applications to ensure consistent calculations. The agency is also performing supervisory reviews on client files to ensure data and calculations are complete and accurate. Documentation attached.

If you need any additional assistance or information please feel free to contact me at 931-520-9607 or email at jstarnes@uchra.com

Thanks,

James Starnes

Deputy Director/MIS Director
Upper Cumberland Human Resource Agency